

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

CHAPTER 300 - Resources

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DRA Provision - Partial Month Penalty - Example (Continued)

Step 2: \$4,600.00 average monthly private pay rate (x) 6 six full months penalty period = \$27,600.00 penalty amount for six full months

Step 3: \$30,534.00 uncompensated transfer amount (less) \$27,600.00 penalty amount for 6 full months = \$2,934.00 partial month penalty amount

Step 4: \$2,934.00 partial month penalty amount (divided by) \$151.00 daily rate (will be used for all transfers effective 2/8/2006) = 19.43 days or 19 days for partial month penalty

The month of March 2009 will have 19 days that a vendor payment will not be made to the nursing facility. Vendor payments will begin on day 20. Thus the total penalty period for the transfer of \$30,534.00 will be September 1, 2008 through March 19, 2009.

HCBS and the Partial Month Penalty

If a transfer is discovered in an ongoing waiver case, the penalty period will be calculated the same as nursing home cases with the exception of the partial month. The penalty begins the month the transfer occurred; however, the “partial month” is extended to the end of the month for HCBS cases.

If the penalty period has not expired, the case will be closed and an improper payment report will be completed for the prior ineligible months. If the penalty period has expired, an improper payment will be completed for the transfer penalty period and the case will remain open. The client must be given the opportunity for rebuttal prior to preparing the improper payment report.

304.01.05J DETERMINING THE PENALTY WHEN PENALTY PERIODS OVERLAP

All countable transfers occurring during the look-back period are totaled and the penalty period determined by dividing the total UV by the average private pay rate. The first month of the transfer penalty period is the month in which the first countable transfer occurred.

Transfers that occur after a penalty period is in effect are added in full to the end of the penalty period currently in effect. There is no limit on the number of months a transfer penalty can be imposed. The penalty period is always determined by the total UV calculated during the look back period.